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[redacted]/G - Mr. Bilsom July 25, 1951

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Chinese Communist Buildup to CHC Military Forces against Chinese Mainland

CHC plans and intentions (see INR of May 10 & July 11 on this subject)

Several recent CIA reports from Taipei have indicated that CHC plans for military and paramilitary operations against the mainland have been stepped up, and that some form of action might be taken during the next few months. A recent summary of available information prepared in Taipei suggests that the initial phase which might begin in August or September would involve the airdropping of small paramilitary units, varying in size from 20 to 30 to 300 men, over selected target areas in South China. If this initial phase succeeded in arousing substantial popular support, the CHC might then attempt more ambitious military operations, involving the airdropping of regular military units, amphibious raids along the coast or even large-scale efforts to launch a full-scale invasion.

Possible Chinese Communist response

Although the Chinese Communists have not renounced their declared right to "liberate" Taiwan, their public posture on the Taiwan issue during the past two years has been rather restrained. They may calculate that their prospects for gaining dominion in the US are improving rapidly, while the CHC position is being eroded; they may therefore be inclined to refrain from overt military moves, unless seriously provoked by military actions on the part of the CHC which might provide them with a pretext for launching "defensive" counter-action. Since the heavy bombardment of the offshore islands in 1950, the Communists have not initiated any major military action in the Taiwan Straits, and there has been no recent evidence of a further military build-up along the China coast. However, the Communists have improved their military capabilities in the near-vicinity area; they now have several airfields within easy shelling distance of the coastal areas near Taipei, and they have continued to concentrate a very large amount

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of the PLA in the coastal provinces adjacent to Taiwan. (The total strength of PLA and public security units in the immediate coastal area from Fukien in the south to Shantung is estimated at about 450,000 men, with an additional 100,000 or more in the hinterlands.)

The response of Beijing to specific military moves on the part of the US would depend on the scope and nature of such moves as well as Beijing's estimate of the likelihood and extent of US involvement and support for the GRC.

The nibbling at small paramilitary units, which could be easily isolated by Chinese Communist forces, would not be likely to provoke any major military retaliatory action. Beijing would undoubtedly try to exploit such moves (and their defeat) for political advantage; it would probably claim that they had been supported by the US and demonstrated US aggressiveness in Asia and that their defeat demonstrated the strength of the regime and the patriotism and loyalty of the population.

Despite mounting evidence of popular unrest on the mainland and some indications that Communist security controls may have been relaxed, it seems highly unlikely that small-scale paramilitary operations by the GRC would succeed in provoking successful popular uprisings, unless there were serious defections from the Communist militia and security forces. There has been no evidence to indicate serious morale problems in the regular armed forces, despite the recent food crisis on the mainland, and it seems most unlikely that small paramilitary units would act as a catalyst for defections even if significant morale difficulties were evident.

If the GRC should try to launch more extensive military operations, including amphibious coastal raids, the danger of more violent Chinese Communist reactions would increase, but Beijing would probably try to avoid military actions which would increase the danger of involving the US. In response to small-scale coastal raids, Beijing might respond militarily by reserving heavy reinforcement of Quemoy, where the GRC has concentrated some of its best combat troops. Politically, Beijing might respond by stepping up propaganda attacks on the US, by submitting appeals to the UN protesting US and GRC "aggression", and by launching a new nation-wide propaganda campaign to mobilize popular opinion, using the theme of "liberating" Taiwan.

The possibility of deep Chinese Communist military reaction would appreciably increase if Taipei became convinced that US operations had been sanctioned by the US and were part of a DP-supported effort to launch a full-scale invasion of the mainland. If the GRC should succeed in landing large numbers of troops on the coast and establishing a beachhead, Peiping might retaliate by launching an all-out assault against Quemoy and other offshore islands, using the pretext that such areas were defensive in nature. Almost inevitably use of GRC planes to provide air cover for amphibious operations would increase the degree of US involvement and might provoke some form of Chinese Communist retaliation against Taiwan itself, most probably limited attacks against Taiwan itself. The probability would be increased if the GRC first bombed mainland targets. Such action would probably be depicted as an act of retaliation by Peiping rather than as a prelude to an all-out attack on Taiwan. The Chinese Communists would almost certainly attack any vessels or aircraft attempting to supply or reinforce an initial beachhead including a clear possibility of an attack on any US ships which might be involved in convoy duty.

Soviet and Bloc response

In the event that the GRC were able to establish a sizeable bridgehead on the mainland coast (a possibility which seems rather remote), Peiping might be inclined to invoke the provisions of the 1950 Sino-Soviet treaty. Peiping would be unlikely to seek Soviet military aid, however, unless it felt there was real danger of direct US participation. The USSR might respond by issuing threats and warnings to the US and the GRC and by lending its propaganda and diplomatic support in defending the PRC at the UN. However, the USSR would probably refrain from any direct military involvement unless there was real danger that the Chinese Communist regime might collapse internally or unless Moscow became convinced that the US was directly participating along with the GRC in an invasion attempt.

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